

111TH CONGRESS  
1ST SESSION

# H. R. 2007

To amend the Truth in Lending Act to prevent certain unfair practices  
by credit card issuers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2009

Mr. MASSA introduced the following bill; which was referred to the Committee  
on Financial Services

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## A BILL

To amend the Truth in Lending Act to prevent certain  
unfair practices by credit card issuers, and for other  
purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “American Credit Card  
5 Reform Act”.

6 **SEC. 2. LIMIT ON CREDIT CARD INTEREST RATES.**

7 Section 107 of the Truth in Lending Act (U.S.C.  
8 1606) is amended by adding at the end the following new  
9 subsection:

1       “(f) CONSUMER CREDIT CARD INTEREST RATE  
2 CAP.—The annual percentage rate applicable to any ex-  
3 tension of credit on a credit card account under an open  
4 end consumer credit plan may not exceed 14 percent.”.

5 **SEC. 3. PROHIBITION ON TRANSFER FEES.**

6       Section 127 of the Truth in Lending Act (15 U.S.C.  
7 1637) is amended by adding at the end the following new  
8 subsection:

9       “(i) PROHIBITION ON CREDIT CARD TRANSFER  
10 FEES.—No credit card issuer under an open end con-  
11 sumer credit plan may impose any fee or penalty in con-  
12 nection with a transaction initiated by a consumer in  
13 which the applies credit extended under such credit plan  
14 to reduce an outstanding balance on another credit card  
15 account held by such consumer.”.

16 **SEC. 4. PROHIBITION ON PREDATORY ADVERTISING ON**  
17 **COLLEGE CAMPUSES.**

18       (a) IN GENERAL.—Chapter 3 of the Truth in Lend-  
19 ing Act (15 U.S.C. 1661 et seq.) is amended by adding  
20 at the end the following new section:

21 **“§ 148. Advertising on college campuses prohibited**

22       “(a) IN GENERAL.—No credit card issuer under an  
23 open end consumer credit plan may advertise any credit  
24 card account on any grounds of an institution of higher

1 education through the distribution of written applications  
2 or solicitations on such grounds.

3 “(b) INSTITUTION OF HIGHER EDUCATION.—The  
4 term ‘institution of higher education’ has the same mean-  
5 ing as in section 101(a) of the Higher Education Act of  
6 1965 (20 U.S.C. 1001(a)).”.

7 (b) CLERICAL AMENDMENT.—The table of sections  
8 for chapter 3 of the Truth in Lending Act is amended  
9 by inserting after the item relating to section 147 the fol-  
10 lowing new item:

“148. Advertising on college campuses prohibited.”.

11 **SEC. 5. PROHIBITION ON CHANGING TERMS OF CREDIT**  
12 **CARD ACCOUNT IF CONSUMER IS IN FULL**  
13 **COMPLIANCE WITH SUCH TERMS.**

14 Section 127 of the Truth in Lending Act (15 U.S.C.  
15 1637) is amended by inserting after subsection (i) (as  
16 added by section 3 of this Act) the following new sub-  
17 section:

18 “(j) PROHIBITION ON CHANGING TERMS OF CREDIT  
19 CARD ACCOUNT WITH WHICH CONSUMER IS IN COMPLI-  
20 ANCE.—A credit card issuer may not amend or change the  
21 terms of a credit card contract or agreement under an  
22 open end consumer credit plan so long as the consumer  
23 remains in full compliance with the existing terms of such  
24 contract or agreement.”.

1 **SEC. 6. ESTABLISHMENT OF DUE DATES FOR PERIODIC**  
2 **PAYMENTS ON CONSUMER CREDIT CARD AC-**  
3 **COUNTS.**

4 Section 127 of the Truth in Lending Act (15 U.S.C.  
5 1637) is amended by inserting after subsection (j) (as  
6 added by section 5 of this Act) the following new sub-  
7 section:

8 “(k) DUE DATE FOR PERIODIC PAYMENT.—The due  
9 date for any periodic payment on an outstanding balance  
10 on a credit card account under an open end consumer  
11 credit plan may not be less than 30 days after—

12 “(1) the date of the postmark on the envelope  
13 in which the periodic statement provided under sub-  
14 section (b) applicable to such period was sent to the  
15 consumer; or

16 “(2) if no postmark appears on the envelope,  
17 the date that is 3 days after the closing date of such  
18 periodic statement.”.

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